

Thank you for that kind introduction. Thanks to Armando and Neighborhood House for hosting us today. And thanks to the Minnesota Council of Nonprofits, and the Minnesota Council on Foundations for organizing this event.

I also want to thank each member of the audience for the work you do. Not one of you chose a career in the nonprofit sector because you wanted to get rich. You make sacrifices to serve the people and the causes that are important to you. And because you do, Minnesota is one of the safest, healthiest, and best-educated states in America.

The organizations you work for are very different. Some of you focus on education, others the environment. Some in health and human services, and others in the arts. As different as your missions are, all of your organizations are part of one, essential sector of the American economy. The success of this community and every community across the country depends on the work you do in the nonprofit sector.

That is why I am here today. I want to talk with you about the connection between strong communities and a strong nonprofit sector and foundation community. Not a day in my life goes by that isn't touched by a nonprofit.

It would be difficult to find an individual in this country who is not connected to the nonprofit sector:

- Some of us volunteer;
- Others contribute money;
- Millions are assisted - either directly or indirectly - by nonprofit programs.

Nonprofits are not only a force for good in our communities. They are an important part of our economy. One out of every 10 Americans works for a nonprofit. And government - at all levels - relies on the nonprofit sector to implement and support public policies.

It is easy for some elected officials to say "that's not the government's role, let the community do it." Well, you are the community. These officials are putting the burden on you to fill in the gaps.

As the government workforce is cut year after year, more responsibility is placed on your shoulders. When extensions of unemployment insurance expire, faith-based groups and citizen groups are left to find ways to support our friends and neighbors.

Even though nonprofit organizations are powerful and productive contributors to American life, your needs are not being addressed by Congress or the Administration. Today, the IRS is the only federal agency paying attention to the nonprofit sector as a whole. The IRS has a very narrow function: it grants the 501c3 tax status and watches for fraud. That is necessary and important. But your organizations and your sector are much more than a tax designation. The IRS is not working to make your organizations more successful or to offer support. If you have a problem working with the federal government, you don't pick up the phone and call the IRS.

Washington needs to start caring as much about strengthening nonprofit organizations as it does about regulating them. No committee in the House or Senate has responsibility for the success of the nonprofit sector. No federal agency is focused on making nonprofit organizations more effective. You have an important voice - but it is not being heard.

That must change.

The Federal government has a number of programs, including the Small Business Administration, dedicated to supporting for-profit companies.

The budget for the federal Small Business Administration this year is nearly one billion dollars. And that is only one of many federal programs that support companies in America. Compare that to the Nonprofit Capacity Building Fund - one of the few federal programs to support nonprofits. Last year, this fund received one Million dollars. One million dollars for capacity building in all of America's nonprofits.

Federal funding is not the only measure that matters. But the huge difference between the federal support for companies and the federal support for nonprofits is telling. The head of the National Council on Nonprofits, Tim Delaney, says you are part of America's invisible sector. From my vantage point in Congress, I can tell you Tim is right.

Most of my colleagues in Congress do not see your sector. They don't see how the work of the domestic violence shelter, the local theater, and the food bank are connected. There is a big disconnect between the federal government and the nonprofit sector. Congress does not understand how nonprofit organizations work. That means it doesn't understand what nonprofits need.

And I hear from talking with many of you that federal agencies are not much better.

Let me give you a few real life examples.

- ACORN controversy - nonprofits are misunderstood and vulnerable to political attacks. Threatened to make the name "nonprofit" politically off-limits.

- Healthcare reform legislation - nonprofits left out of major federal policies that affect them directly.

- Federal Budget Crisis - Some say solve this problem with cuts to domestic spending alone. That would devastate this community and this country. This is the big battle on the horizon.

Bridging the gap between the nonprofit sector and the federal government is a big challenge with no easy answers.

I saw this problem in the State House and now I see it in Congress. Government leaders always expect nonprofits to be part of the solution without making them a part of the conversation.

More than two years ago I started working with the Minnesota Council of Nonprofits and national nonprofit groups. I wanted to understand how to make the relationship between federal agencies and nonprofit organizations and foundations more productive. Together, we

determined the first step is to start a positive conversation about the work of foundations and nonprofits inside the federal government. To do that, we need to create new, simple forums within Congress and the Administration focused on the success of the nonprofit sector.

In June, I introduced the *Nonprofit Sector and Community Solutions Act* (H.R. 5533). Like many of the bills I introduce in Congress, this one is inspired by the successes I have seen in Minnesota. I was proud to have Jon Pratt, Marcia Avner, and Steve Francisco from the Minnesota Council of Nonprofits standing with me at the press conference on Capitol Hill the morning the bill was introduced. The goals of the legislation are simple: stronger communities and more effective government.

The legislation establishes a new United States Council on the Nonprofit Sector.

- The Council will be a forum for leaders of foundations, nonprofits, businesses and government to discuss strategies for strengthening the nonprofit sector.

- The Council is about creating the table for dialogue.

The bill creates an Inter-agency Working Group on the Nonprofit Sector.

- This group will ensure that high-level representatives from cabinet agencies and other key agencies coordinate and improve federal policies pertaining to nonprofit organizations.

- The Inter-agency group is important because nonprofits, their work, and their partners often don't fit neatly in one agency.

Finally, the legislation directs federal agencies to synthesize and publish existing data on nonprofits AND to support research that will lead to smarter federal policy.

- The federal government already collects so much data on nonprofits.

- But it's no one's job in the federal government to put it all together and make it available so all of us - government, foundations, and nonprofit leaders - can use it.

This is a bi-partisan bill, and it should be. Nonprofits build, sustain and strengthen communities. It's the job of every Member of Congress to strengthen their community. The legislation has 20 co-sponsors, including Minnesota's own Representatives Oberstar and Ellison. Support is growing for the legislation across the country. In only five months, more than 500 organizations across the country have become official supporters.

If you want to help make nonprofits a part of the conversation in Washington you already know what to do:

- Send a letter of support for us to post online
- Reach out to your member of Congress to co-sponsor
- Tell the federal agencies you work with that this is important
- Write an op-ed or blog explaining why the bill is important to your organization
- Reach out to other nonprofits in your field and share information on the bill

Our strategy is to build support in the remaining months of this year. Then introduce the legislation in the next Congress and make our push for passage.

Working with these nonprofit champions we can:

- Build a stronger nonprofit sector;
- Craft smarter federal policy;

- Create more vibrant communities in every state.

Nonprofits and foundations are always advocating for others instead of themselves. That's as it should be. But, like they say on the airplane, you need to put your own oxygen mask on before helping others. There are about 1.5 million nonprofit organizations in this country. Every congressional district has dozens - if not hundreds - of nonprofits. You represent one of the most powerful, untapped movements in America. It is time to find your voice. I have been with you in Minnesota and I am ready to stand with you in Washington.

Thank you.